

FEB 1952 D1-4AA

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CENTRAL INTELLIGENCE AGENCY

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SECURITY INFORMATION**INFORMATION REPORT**

REPORT NO. [REDACTED]

CD NO. [REDACTED]

COUNTRY Rumania

DATE DISTR. 17 December 1952

SUBJECT Sovromlemn; the Brodina and Paltin  
Sawmills near Radauti

NO. OF PAGES 3

25X1 DATE OF  
INFO. [REDACTED]NO. OF ENCLS.  
(LISTED BELOW)25X1 PLACE  
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- Sovromlemn is considered a foreign company, and the Ministry of Timber exercises only limited control over it. Sovromlemn comprises three types of enterprises: former foreign enterprises (Foresta, Eltrinelli); enterprises damaged and abandoned during the war and rebuilt by Sovromlemn (Paltin, Vatra Dornei, Vaduri, Falcau); and nationalized enterprises, leased by IPEIL ( Piatra-Neamt, the Gotz and Bach factories, Putna, Brosteni). Up to the end of 1951 the main office of Sovromlemn was located in Bucharest at 174 Calea Victoriei. In January 1952 it was transferred to 1 Calea Sfantu Ionica. Most of the Sovromlemn properties are in the Bistrita and Putna valleys in South Bucovina and North Moldavia, extending to the Trotus valley. The sawmills are situated in areas yielding excellent timber.
- At the end of December 1951 Sovromlemn had about 30 mills with a total of 106 saws and an annual output of about 1,250,000 cubic meters of round timber and cut boards. Although the yield of cut boards is prescribed at 59.2 percent of the raw timber, most of the mills produced 60 percent or an annual output of 750,000 cubic meters of cut material. Ninety percent of the total production of Sovromlemn cut material, as well as boxwood, is exported to the USSR. The Soviets take delivery according to a new classification consisting of grades I, II, and III (III corresponds to quality IV of the Viennese specifications). Dimensions are measured according to Soviet standards. Boards with fixed knots are accepted, but those with loose knot holes are not accepted. The latter are exported to Hungary, Poland, and Czechoslovakia on Soviet instructions. Up to 1951 timber up to four meters in length was still sent to Syria and Alexandria in small quantities. Timber for concrete molds is exported to Argentina on behalf of the Soviets. Only wood pulp is supplied by Sovromlemn to the local market. It is produced from waste by special machinery in the mills at Putna, Paltin, Piatra Neamt, and Falcau. The pulp is delivered to the Piatra Neamt paper factory.

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3. The Brodina and Paltin sawmills are located in the Bistrita valley six kilometers apart. They are allocated felling areas by the Regional Forestry Administration, but they direct cutting operations themselves. To haul the timber Sovromlemn built eight kilometers of narrow gauge railroad from Nisipitul. About 30 trucks are also used for this purpose. The Brodina mill (formerly Romania) was nationalized in 1948, and Sovromlemn leased it from IPEIL. Its equipment consists of one Topham 36-inch saw, one Brunn-Koenigsfeld 24-inch saw, and one Pini & Kay 18-inch saw. All saws operate slowly since they have been in use for over 40 years. The production of the Brodina mill is 115 cubic meters of round timber (pine) in 16 hours. Power is obtained from one 125 hp static steam engine made by Schlick & Nicholsohn of Budapest in 1905, fired with wood shavings. The Paltin mill was rebuilt in 1947, after having been destroyed by fire during the war. Its equipment consists of one Topham 36-inch saw and one Lein Brothers 18-inch saw, both of them old. Its production is 72 cubic meters of coniferous round timber in 16 hours. Power is supplied by a semi-static steam engine developing 85 hp made by Oesterer in Altaeting (Germany), using sawdust as fuel. The two mills together employed 380 men.
4. The Falcau sawmill, the main enterprise in the Bistrita valley, is the former Anhauch mill which was built in 1921, destroyed by fire during the war and rebuilt in 1947. It consists of a sawmill and a box factory, and it is equipped with five new saws: two Bruenn-Koenigsfeld 42-inch saws, and three modern saws of Finnish make with a central draw bar. The box factory has modern equipment and produces 500 to 600 cubic meters of box boards per month, mainly for margarine and fruit boxes for the Soviet Army. About 600 men are employed. Power is supplied by two semi-static Ganz steam engines developing 275 hp.
5. The Putna sawmill has been leased by IPEIL since 1940. It has five saws: one Pini & Kay 42-inch saw, and Hoffman 36-inch saw, one Pini & Kay 24-inch saw, and two Pini & Kay 18-inch saws. The Pini & Kay saws are worn out by more than 40 years of use. A total of 600 men are employed at the mill.
6. The Varduri and Vatra Dornei mills were built by Sovromlemn in 1949/1950. Their equipment is said to be up-to-date; each has six saws operated by built-in electro-motors. Electric saws are also used for tree felling. Both mills are equipped with semi-static twin engines of 275 hp made by Ganz & Danubius in Budapest, driving two generators which provide electricity for the saws and other machinery. Sawdust is used as fuel.
7. The Gotz factory and the Bach (Bistrita) Parquet factory at Piatra Neamt produce principally block houses and prefabricated wooden huts for export to the USSR.
8. The Brosteni Box Factory (previously the property of Prince Nicolae) was the largest and best-equipped box factory of its type in Rumania. It was nationalized in 1948 and leased to Sovromlemn by IPEIL.
9. In 1946, when Sovromlemn was created, 90 percent of its personnel were Rumanian. Some technical managers were Soviets. Towards the end of 1951, 50 percent of the staff were Soviets. Today the mill managers and the important members of the technical staff are all Soviet citizens.
10. The following personalities are known:
  - a. Odegow (fmu), general manager, former naval officer, said to have been an admiral of the Baltic fleet during the war.
  - b. Motin (fmu), assistant manager, former sailor, coarse, feared by everybody.

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- c. Littmann (fnu), head of the Commerical Department, is from Galati and holds a key position.
- d. Holzmann (fnu), head of the Forestry Department, former employee of Foresta Romana, and a well-known expert.

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1. [REDACTED] Comment. IPEIL is the Intreprinderile Pentru Exploatarea si Industrializarea Lemnului (Enterprise for the Exploitation and Industrial Use of Wood). IPEIL is state owned and managed by the Ministry of Foreign Trade and the Ministry of Industry and Commerce.

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2. [REDACTED] Comment. For recent information on Sovromlemn personnel, production, and shipments [REDACTED]

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